

March 23, 2000

CB Richard Ellis, Inc.
U.S. Bank Centre
1420 Fifth Avenue
Suite 1700
Seattle, WA 98101-2384
www.cbrichardellis.com

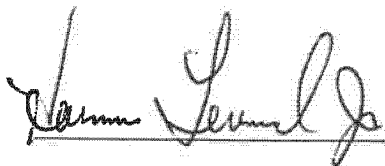
RE: LETTER OF AGREEMENT

The undersigned hereby agree to the following:

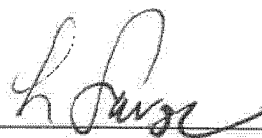
Upon execution of a new Lease between Package Service, Inc., and D&J Equipment and execution of a new Lease between Package Service, Inc., and Northwest Cascade for terms of five (5) years beginning April 1, 2000, for the Premises at 3414 Second Avenue South, and 3413 Fourth Avenue South, Seattle, Washington.

1. General Transport will be released of their remaining Lease obligation to D&J Equipment beginning April 1, 2000, through July 31, 2001.
2. Of the \$2,975 deposit held by Package Service, Inc., from General Transport, \$1,475 will be returned to General Transport, and the \$1,500 balance will be paid by Northwest Cascade.
3. The Premises that D&J Equipment are currently leasing from Package Service, Inc., through July 31, 2001, will be reduced by approximately 30,000 square feet in the new Lease to accommodate the new Lease for Northwest Cascade.

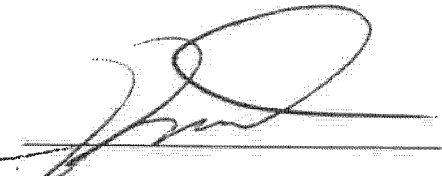
AGREED TO AND ACCEPTED:**Package Service, Inc.**

By: 
Date: MARCH 27, 2000

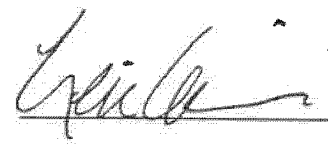
Northwest Cascade

By: 
Date: 3-29-00

D&J Equipment

By: 
Date: MARCH 28-2000

General Transport

By: 
Date: March 28 2000

 **PACKAGE SERVICE, INC.**

9/0 BETTY THOMAS
24502 S Stoney Lake Ct
Sun Lakes, AZ 85248

3/25/13

New
DEAR Mike,

Two copies of our new 2013
Lease are enclosed.

Please keep one for your files
and return the 2ND copy to me
after you have signed it.

(A stamped self-addressed
envelope is enclosed.)

Thank you very much.

Betty F. Thomas
PACKAGE SERVICE, Inc.
P.O. Box 11741
Chandler, Az.
85248

(480) 802-7582

2013 LEASE RENEWAL AGREEMENT

LESSEE: NORTHWEST CASCADE, INC.

10412 John Bananola Way East
Puyallup, Wa. 98374

LESSOR: PACKAGE SERVICE, INC.

P.O. Box 11741
Chandler, Az. 85248

This agreement is made between Package Service, Inc. and Northwest Cascade, Inc.
for rental of property located at 3414 - 2nd Avenue South, Seattle, Wa. 98134.
Rental Period will be for five (5) years beginning April 1, 2013 and ending March 31, 2018.

Rental amounts will increase yearly by 3% cost of living increases, and Lessee will pay
all property taxes.

RENTAL SCHEDULE WILL BE:

4/1/13 to 3/31/14 = \$4,561.87
4/1/14 to 3/31/15 = \$4,698.73
4/1/15 to 3/31/16 = \$4,839.69
4/1/16 to 3/31/17 = \$4,984.88
4/1/17 to 3/31/18 = \$5,134.43

SIGNED BY:

TENANT/LESSEE


Michael D. Baxter/Soils Div. Manager
NORTHWEST CASCADE, INC.

DATE

3/27/13

LANDLORD/LESSOR


Betty J. Thomas, Sec. Treas.
PACKAGE SERVICE, INC.
(480) 802-7582

DATE

3/25/13

MAR 05 2018

LEASE

This Agreement (this "Lease") is made on this 19th day of February 2018. The parties agree to all the terms set forth below.

1. PARTIES

Pac Holdings, LLC., organized under the laws of the State of Washington, is referred to as "Lessor". **NW Cascade, Inc.**, a Washington corporation, is referred to as "Lessee".

2. RECITALS

Lessor is the owner of the land (Land) described in Exhibit "A".

The Portion of Property and related space which shall be leased in part to Lessee. The space is referred to commonly as the Property, containing approximately 300 square feet at 3414 2nd Avenue South.

The Land use when referred to collectively shall be referred to as the Property.

The area to be leased hereunder shall be referred to as the Property and is depicted within the outline in Exhibit "A".

3. TERM

The term of this Lease shall be for three (3) years, commencing April 1st, 2018 and ending March 31, 2021. Occupancy is scheduled for April 1st, 2018.

4. RENT

Lessee agrees to pay Lessor at the address stated below monthly rental as follows:

\$5,000. per month in advance, on or before the **fifth (5th)** day of each calendar month of the Lease term to

LN DR

Lessor or to such other party or at such other place as Lessor may hereafter designate.

5. SECURITY DEPOSIT

Not required.

6. UTILITIES, FEES AND ASSESSMENTS

Lessee agrees to pay all charges for electricity, water, sewer, garbage, storm water, fire and all other public utilities and governmental requirements used by the lessee in or charged against the Property during this Lease which are not separately metered.

7. TAXES

~~(a) Personal Property — Lessee shall promptly pay when due all taxes assessed during the term of this Lease upon Lessee's fixtures, furnishings, equipment and stock in trade, or upon the Lessee's leasehold interest under this Lease or upon any other personal property of Lessee situated in or upon the business.~~

~~(b) Real Property taxes and Assessments — Lessee shall pay its proportionate share of all real property taxes and assessments upon the Property which are payable during the lease term. All assessments chargeable against the real property prior to but payable in whole or installments after the effective date of the lease term, and all assessments charged against the property during the term but payable in whole or installments after the lease term shall be adjusted and prorated so that the Lessor shall pay its prorated share of the period prior to and for the period subsequent to the lease term, and Lessee shall pay its prorated share for the lease term. In addition, Lessee shall pay its proportionate share of all charges in lieu of assessments, all assessments shall be apportioned over the greatest amount of time allowed by the appropriate governmental agency.~~

~~(c) Substitute Taxes — Lessee shall not be required to pay any municipal, county, state or federal income or franchise taxes of Lessor or any municipal, county, state or federal estate, succession, inheritance or transfer taxes of Lessor. If at any time, however, during~~

~~the term of this lease, the laws concerning the methods of real property taxation prevailing at the commencement of the term are changed so that a tax or excise on rents or any other such tax, however described, is levied or assessed against the Lessor as a direct substitution in whole or in part for existing or additional real property taxes, Lessee shall pay before delinquency (but only to the extent that it can be ascertained that there has been a substitution and that as a result Lessee has been relieved from the payment of real property taxes it would otherwise have been obligated to pay its proportionate share of the substitute tax or excise on rentals). Lessee's share of any tax or excise on rent shall be substantially the same as and as a substitute for the payment of such real property taxes as provided for in this Lease.~~

~~(d) Lessee may challenge or protest any tax, assessment or other charge which may be charged against the Property so long as Lessee diligently pursues such challenge or protests and pays any penalty due as a result of such challenge or protest, against the applicable municipality.~~

8. PROPERTY INSURANCE

~~Lessor agrees that at all times during the lease term it will procure and maintain a policy or policies of insurance upon the demised Premises insuring against all perils, included within the classifications of fire, extended coverage, vandalism, malicious mischief, sprinkler leakage, special extended peril (all risk), loss of rental income, Federal Flood Insurance, in an amount not less than the full insurable replacement value of improvements and providing for consequences of current building codes in excess of replacement costs. The deductible amount in the policy at this time is \$25,000.00. Lessee hereby agrees to pay their proportionate deductible under Lessor's insurance covering the demised premises upon receiving written demand and proof of loss from Lessor. The proportionate share of the deductible will be determined by the insurance claims adjuster. All policies of insurance or evidence thereof should be furnished to Lessee annually during the term of the Lease.~~

~~Lessee shall promptly reimburse Lessor upon request in an amount equal to its proportionate share of the cost of any such insurance policies so procured, the obligation for payment thereof being that of the Lessee.~~

9. LIABILITY INSURANCE

Lessee shall, during the entire term, keep in full force and effect a policy or policies of public liability and property damage insurance with respect to the demised Premises and the business operated by the Lessee and require same of any sublessees of Lessee in the demised Premises, in which the limits of public liability shall not be less than Two Million and No/100 Dollars (\$2,000,000.00) combined single limit bodily injury or property damage for each occurrence. The policy shall name the Lessor, or any other parties in interest, as an additional insured, and shall contain a clause that the insurer will not change the insurance without first giving Lessor at least ten (10) days prior written notice. Lessee shall not cancel nor allow any policy to lapse because of non-payment without giving Lessor thirty (30) days written notice. A copy of each policy or certificate of insurance shall be delivered to Lessor.

10. DAMAGE BY FIRE OR OTHER CASUALTY

Lessor shall not be liable for any damage or injury to the Premises or to Lessee arising from any act or gross negligence on the part of the Lessee, or for any other damage or injury to Lessee or property occasioned from or by any cause whatsoever, except damage or injury due to the grossly negligent or willful act of Lessor, its employees, agents or invitees. Lessee covenants and agrees with Lessor to assume full responsibility and liability for any injuries or damages sustained by any person or persons on the Premises during the term of this Lease or any extensions thereof, and to save Lessor harmless therefrom, unless such injuries or damages are due to the grossly negligent or willful act of Lessor, its employees, agents or invitees.

In the event the Premises or the Building of which the Premises are a part is destroyed or injured by fire, earthquake or other casualty to the extent that either is untenable in whole or in part, then Lessor may, at its option, proceed with reasonable diligence to rebuild and restore the Premises or such part thereof as may be damaged, provided that within thirty (30) days after such destruction or injury, Lessor shall notify Lessee in writing of its intentions to do so, and provided further that Lessor can complete such rebuilding and restoration in one hundred twenty (120) days, and during the period of such rebuilding and restoration, the rent hereunder shall be abated in the same ratio as the portion of the Premises rendered for the time being unfit for occupancy, shall bear to the entire demised premises. If Lessor shall fail to notify Lessee, as aforesaid, then this Lease, at the expiration at the time for giving said notice as provided for herein, shall be terminated as of the time of the injury or destruction.

11. USE

Lessee shall use the Premises for activities related to permitted use by the City of Seattle, and other uses not inconsistent with its business only, unless Lessee obtains the prior written consent of Lessor, which consent shall not be unreasonably withheld.

Lessee shall keep and use the Premises in accordance with the laws of the State of Washington and city and county ordinances, and in accordance with all applicable governmental directions, rules and regulations.

12. INDEMNIFICATION

Lessor shall not be liable for any injury to any person, or any loss or damage to any property (including property of Lessee) that occurs on the Premises from any cause except gross negligence or willful misconduct of Lessor, its employees, agents or invitees. Lessee shall indemnify and hold harmless Lessor from all claims, losses, damages and liabilities that may arise out of any actual or alleged injury to any person or to any property resulting from any act or omission of Lessee on the Premises. Lessor shall indemnify and hold Lessee harmless from all claims, losses, damages and

liabilities that may arise out of any actual or alleged injury to any person or to any property resulting from any gross negligence or willful act or willful omission of Lessor, or any officer, agent, employee, guest, invitee or visitor of Lessor in or about the Premises.

13. CARE OF PREMISES

The Lessor shall not be called upon to make any improvement or repair of any kind upon said Premises, except as provided in the following Paragraph 16, and said Premises shall at all times be kept and used in accordance with the laws of the State of Washington and City of Seattle and King County ordinances, and in accordance with all directions, rules and regulations of the health officer, fire marshal, building inspector or other proper officer of the city or county, at the sole cost and expense of said Lessee; Lessor shall provide a notarized statement to Lessee that the Building will meet all the foregoing requirements; and Lessee shall at Lessee's own cost and expense will keep all drainage pipes free and open and will protect water, heating and other pipes so they will not become clogged or freeze, and will repair all leaks, and will also repair all damages caused by leaks or by reasons of Lessee's failure to protect and keep free, open and unfrozen any of the pipes and plumbing on said Premises. Lessee shall be responsible to keep the sidewalks and parking areas safe for normal vehicular and pedestrian traffic on the Premises and the adjoining Property.

14. PREMISES

The Property is outlined in Exhibit "A" attached hereto, and by this reference made a part hereof.

15. LEASEHOLD IMPROVEMENTS AND ALTERATIONS

Lessee shall not make any structural alterations, additions or improvements in the demised Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld, and all such structural alterations, additions and improvements which are made shall immediately become the property of the Lessor and shall remain in and be surrendered with the Premises as a part thereof at the termination of this Lease, or shall be removed by Lessee at Lessor's option.

If the Lessee shall perform work with the consent of the Lessor, as aforesaid, Lessee agrees to comply with all laws, ordinances, rules and regulations of the City of Seattle, Washington and any other authorized public authority. The Lessee further agrees to save Lessor free and harmless from damage, loss or expense arising out of said work.

Lessee agrees that such leasehold improvements, alterations and additions are subject to and subordinated to all present and future mortgages, deeds of trust and other encumbrances affecting the demised Premises placed by the Lessor.

If Lessee installs trade fixtures, appliances or equipment in the Premises, Lessee shall remove such items prior to the expiration or termination of this Lease, provided that Lessee shall restore the Premises to the condition that they were in prior to the installation of such items, less reasonable wear and tear. Lessee's obligation to restore shall survive the termination or expiration of this Lease.

16. REPAIRS

Lessee will, at all times, keep the Premises neat, clean and in a sanitary condition. Lessor, at its sole expense, shall repair temporary fencing around dumpsite, dumpster and water tank. ~~the roof structure, walls and foundation of the demised Premises, unless Lessee is responsible for such damage, and provided however that Lessee shall be required to notify Lessor in the event any repairs which are the Lessor's responsibility are necessitated. All other repairs to Lessee's Premises shall be at Lessee's sole cost and expense. Lessor agrees to repair and maintain the common area, parking area and landscaping of the entire building on the Property described in Exhibit "A", Lessee agrees to be responsible to pay such common expenses incurred by Lessor, which includes all Common Areas. Reserve charges charged to Lessee for major expenses such as, but not limited to, roofing repairs may be done at Lessor's discretion. Except for reasonable wear and tear and damage by fire, windstorm and Acts of God, or other similar casualty, Lessee will at all times preserve said Premises in as good repair as they now are or may~~

~~hereafter be put to. Lessee shall not commit waste or permit waste to be committed on or to the demised premises nor permit or allow anything to be done on or about the premises that will unreasonably disturb the tenancy of other tenants in the Building of which the premises are a part. Lessee agrees that at the expiration or sooner termination of this Lease, Lessee will quit and surrender said Premises without notice and in a neat and clean condition and will deliver up all keys belonging to said Premises to the Lessor or Lessor's agent. Lessee shall have heating and ventilation equipment and overhead doors serviced and maintained by qualified service contractors, at its sole expense, on a regular basis.~~

Lessor reserves for itself and its employees or contractors, and Lessee covenants to permit Lessor or its agents, employees or contractors, to enter any and all portions of the Premises at any and all reasonable times with reasonable notice to make such repairs as shall be necessary for the safety and preservation of the Premises. Nothing herein shall imply any duty by Lessor to make any such repairs or do any other work that under any provision of this Lease, Lessee is required to perform, and the performance hereof by Lessor shall not constitute a waiver of Lessee's default, nor shall the obligation of Lessee under this Lease be thereby affected in any manner. Furthermore Lessor during the progress of such repairs or other work may keep and store on the demised Premises all necessary material, tools and equipment, and Lessor shall in no event be liable for disturbance, inconvenience, annoyance, loss of business or other damage to Lessee or any assignees or sublessee's under the Lease by making such repairs or performing any such work on or in the demised Premises or on account of bringing materials, supplies and equipment into or through the Premises during the course of such work. Lessor shall use his best efforts to minimize the inconvenience to Lessee, and to perform necessary repairs in a timely manner.

17. ASSIGNMENT

Except to its parent or affiliate corporations, Lessee shall not assign this Lease or any part thereof and shall not let or sublet the whole or any portion of the Premises without the written consent of Lessor or

Lessor's agent. This Lease shall not be assignable by operation of law. If consent is once given by the Lessor to the assignment of this Lease, or any interest therein, Lessor shall not be barred from afterwards refusing to consent to any further assignment. In no event shall Lessor's consent be unreasonably withheld.

18. SUBLETTING

Subletting is not part of this agreement.

19. HAZARDOUS MATERIALS

(a) Lessee is in the business of handling materials in manufacturing. Lessee has no present intent to use or locate any Hazardous Materials on the Premises. Lessee shall hold Lessor harmless during the term of the Lease and thereafter from any and all lawsuits, claims or demands made by third parties, including governmental agencies, arising out of or connected with Lessee's use or handling of such Hazardous Materials which causes an unauthorized storage or contamination of the Premises, including but not limited to the presence, escape, seepage, spillage, discharge, emission or release on or under the Premises of any Hazardous Material. This hold harmless provision shall have the broadest legal interpretation possible, and includes the payment of all Lessor's legal fees incurred in any action, demand or claim made by a third party for damages or for removal of such substances. If Lessor has reason to believe that Lessee is in breach of this subparagraph during the term of the Lease, or after its termination, Lessor may at reasonable times upon reasonable notice to Lessee enter the Premises to conduct soil tests or an environmental audit. If the tests or audit reveal a breach of this subparagraph, in addition to all of the remedies contained herein, Lessee shall be responsible to pay for the cost of such tests or audit.

(b) To the best of Lessor's knowledge:

1. Neither Lessor nor any other person or entity has ever caused or permitted any Hazardous Material to be placed, held, located or disposed on, under or at the Premises, and the Premises has never been used as a dump site, permanent or temporary storage site, or

transfer station for, and does not contain, any Hazardous Material.

2. The current conditions of the Premises comply with all laws, regulations and decisions of any kind regarding Hazardous Material.
3. There are no pending proceedings, and no condition exists that, with the passage of time, could give rise to any future liability to Lessee as a result of the present or past existence of any Hazardous Material on the Premises.

These representations shall survive the voluntary or involuntary transfer of the Premises by Lessor and shall survive the termination of this Lease. Lessor acknowledges that Lessee has materially relied upon these representations in entering into this Lease.

Lessor shall hold Lessee harmless during the term of the Lease and thereafter from any and all lawsuits, claims or demands made by third parties through the fault or willful neglect of Lessor, including governmental agencies, arising out of or connected with the presence, escape, seepage, leakage, spillage, discharge, emission or release on or under the Premises of any Hazardous Material, other than such caused by Lessee. This hold harmless provision includes the payment of all Lessee's legal fees incurred in any action, demand or claim made by a third party for damages or for removal of such substances other than those excepted herein. If Lessee has reason to believe that Lessor is in breach of this subparagraph during the terms of the Lease or after its termination, Lessee may conduct soil tests or an environmental audit on the Premises. If the tests or audit reveal a breach of this subparagraph, Lessee may terminate this Lease, and in addition to all remedies contained herein, Lessor shall be responsible to pay for the costs of such tests or audit. Lessor's responsibility hereunder shall be limited to the condition of the soils created by Lessor, its predecessors, its agents or past Lessee's of the Premises.

As used herein, "Hazardous Materials" means asbestos, urea-formaldehyde, or any hazardous, toxic, or dangerous

waste, substance, or material detrimental to human health or safety or the environment, as defined by any federal, state or local law, regulation, or administrative or judicial decision, including but not limited to the Comprehensive Environmental response, Compensation, and Liability act, or any similar state, federal or local "Superfund".

20. LIENS AND INSOLVENCY

Lessee shall keep the leased Premises and the Property in which the leased Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee. In the event Lessee becomes insolvent, voluntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of the Lessee, then the Lessor may cancel this Lease at Lessor's option.

21. ACCESS

Lessee will allow Lessor or Lessor's agent free access at all reasonable times upon reasonable notice to said Premises for the purpose of inspection or of making repairs, additions, or alterations to the Premises or any property owned by or under the control of the Lessor, but this right shall not be construed as an agreement on the part of the Lessor to make any repairs.

22. SIGNS

All signs and symbols placed in the windows or doors of the premises, or upon any exterior part of the building by the Lessee, shall be subject to the prior approval of the Lessor or Lessor's agent, which consent shall not be unreasonably withheld. Any signs so placed on the Premises shall be so placed upon the understanding and agreement that Lessee will remove same at the termination of the tenancy herein created and repair any damage or injury to the Premises caused thereby, and if not so removed by Lessee, then Lessor may have same so removed at Lessee's expense.

23. COSTS AND ATTORNEY FEES

If by reason of any default on the part of either party, it becomes necessary for the other to employ an attorney,

the prevailing party shall be entitled to reimbursement of reasonable attorney's fees, or in case of any suit to recover any rent due hereunder, or for breach of any provisions of this Lease or to recover possession of the leased Premises, or if a party shall bring any action or any relief against the other declaratory or otherwise, arising out of this lease, then and in any of such events the losing party shall pay the prevailing party a reasonable attorney fee and all costs and expenses expended or incurred by the prevailing party in connection with such default or action.

24. DEFAULT

If any rents above reserved, or any part thereof, shall be and remain unpaid ten (10) days after written default notice to Lessee, or if Lessee shall fail to cure a default in any of the covenants and agreements herein contained 30 days after written notice, or if the default is such that it may not be cured within 30 days, if Lessee fails to commence to cure within 30 days and thereafter diligently prosecutes the cure to completion, then the Lessor may cancel this Lease in its entirety including but not limited to all options, upon giving notice required by law, and re-enter said Premises, but not withstanding such re-entry by Lessor, the liability of the Lessee for the rent and other obligations provided herein shall not be extinguished for the balance of the term of the Lease, and Lessee covenants and agrees to make good to Lessor any deficiency arising from a re-entry and reletting of the Premises at a lesser rental than therein agreed to. The Lessee shall pay such deficiency each month as the amount is ascertained by Lessor. In the event Lessor re-enters the Premises, the cost of restoration and placing the Premises in a condition suitable for tenancy shall be added to any deficiency arising from such re-entry (ordinary wear and tear excepted).

25. EMINENT DOMAIN

(a) Total Condemnation - If the whole of the leased Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the date title or possession shall be transferred to such proceeding, whichever shall first occur, and all

rentals shall be paid up to that date and Lessee shall have no claim against Lessor for the value of any unexpired term of this Lease.

(b) Partial Condemnation - If any part of the leased Premises or the building in which the leased Premises are situated shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose and in the event that such partial taking or condemnation shall render the leased Premises unsuitable for the business of the Lessee, then the term of this Lease shall cease and terminate as of the date title or possession shall be transferred in such proceeding, whichever shall first occur, and Lessee shall have no claim against Lessor for the value of any unexpired term of this Lease. In the event of a partial taking or condemnation which is less than twenty percent (20%) of the premises and not extensive enough to render the Premises unsuitable for the business of the Lessee, then Lessor shall promptly restore the leased Premises to a condition comparable to its condition at the time of such condemnation, less the portion lost and rental adjusted accordingly in the taking, and this Lease shall continue in full force and effect. If the parties are unable to agree on the issue of the suitability of the remaining portion of the Premises, the same shall be submitted to binding arbitration during which period the Lease shall remain in effect except that the rental shall be partially abated as herein set forth. Initially the parties shall attempt to agree upon one arbitrator. Any arbitrator selected under this paragraph must be a commercial Realtor doing business in King County Washington. If the parties are unable to agree upon one arbitrator within fourteen (14) days, each party shall name one arbitrator and the two so selected arbitrators shall select a third arbitrator. If the two arbitrators fail to name a third arbitrator within a reasonable period of time, the third arbitrator shall be selected by the Presiding Judge of the Superior Court of the State of Washington for King County at the request of either Lessor or Lessee. The costs of arbitration shall be borne equally between the parties and the determination by the arbitrator shall be binding upon the parties and not subject to further legal proceedings.

(c) Lessor's Damages - In the event of any condemnation or taking as hereinbefore provided, whether whole or

partial, the Lessee shall not be entitled to any part of the award, as damages or otherwise, for such condemnation, and Lessor is to receive the full amount of such award, the Lessee hereby expressly waiving any right of claim to any part thereof.

(d) Lessee's Damages - Although all damages in the event of any condemnation are to belong to the Lessor, whether such damages are awarded as compensation or diminution of value of the leasehold or the fee, Lessee shall have the right to claim and recover such compensation as may be separately awarded or recoverable by Lessee in Lessee's own right on account of any condemnation for or on account of any cause or loss to which Lessee might be put in removing Lessee's inventory, Leasehold improvements or equipment.

26. WAIVER OF SUBROGATION

Lessor hereby releases Lessee of and from every and all right, claim and demand that Lessor may hereafter have against Lessee, or Lessee's successors or assigns, arising out of or in connection with any loss or losses occasioned by fire and such perils as are included in the normal extended coverage clauses of fire insurance policies and does hereby waive all rights or subrogation in favor of insurance carriers against Lessee arising out of any losses occasioned by fire and such perils as are included under the normal extended coverage clauses of fire insurance policies, and sustained by Lessor in or around the Premises. Lessee hereby releases Lessor from any and every right, claim and demand that Lessee may hereafter or in connection with any loss or losses occasioned by fire and such perils as are included in the normal extended coverage clauses of fire insurance policies, and does hereby waive all rights of subrogation in favor of insurance carriers against Lessor arising out of any losses occasioned by fire, and such perils as are included under the normal extended coverage clauses of fire insurance policies, and sustained by Lessee to its trade fixtures, equipment and inventory.

27. SUBORDINATION

This Lease and the leasehold improvements therein are subject to and are hereby subordinated to all present and future mortgages, deeds of trust and other encumbrances affecting the demised Premises or the property of which the demised Premises are a part; provided however, that the mortgagee's beneficiaries or encumbrance holders shall agree to recognize the term of this Lease and not to disturb the tenancy created hereby. The Lessee agrees to execute, at no expense to the Lessor, instruments which may be needed, necessary or desirable by the Lessor which instruments shall effect the subordination of this Lease to any mortgage, deed of trust or encumbrance.

28. HOLDOVER

If the Lessee shall, with the written consent of Lessor, hold over after the expiration of the term of this Lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Washington. During such tenancy, Lessee agrees to pay to the Lessor one and one-half (1/2) times the rent for the last month of the base term, and to be bound by all the terms, covenants, and conditions as herein specified, so far as applicable.

29. ESTOPPEL CERTIFICATES

Lessee agrees at any time and from time to time upon no less than twenty (20) days prior notice by Lessor to execute and deliver to Lessor a statement in writing, addressed to Lessor, certifying that this Lease is unmodified and in full force and effect, or, if there have been modifications, that the same is in full force and effect as modified and stating modifications, stating the dates to which rental has been paid, and stating whether to the best knowledge of Lessee, there is any default under the terms and conditions of the Lease, and if so, specifying each such defect, it being intended that any such statement delivered pursuant hereto may be relied upon by Lessor and by mortgagee or prospective mortgagee of any mortgage affecting the building or the building and the land.

30. ATTORNMEN

If any proceedings are brought for the foreclosure of any encumbrance affecting the demised Premises, or the power of sale under any deed of trust made by Lessor covering the demised Premises, Lessee shall attorn to the Purchaser upon any such foreclosure of sale and recognize such Purchaser as Lessor under this Lease, provided however, that unless Lessee shall be in default any such attornment or subordination as provided in this Lease shall not affect the possessory rights of Lessee under the terms of this lease, and Lessee's use and quiet enjoyment of the Premises shall continue undisturbed.

31. AUTHORITY OF PARTIES

If Lessee is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms.

32. GENERAL PROVISIONS

(a) Waiver - the waiver by either party of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by either party shall not be deemed to be a waiver of any preceding breach by either party of any term, covenant or condition of this Lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

(b) Notices - All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands by Lessor to Lessee shall be sent by United States Mail, postage prepaid, and certified with return receipt requested, addressed to Lessee at NW Cascade, 10412 John Bananola Way East, Puyallup, WA 98374 or to such other place as Lessee may from time to time

designate in a notice to Lessor. All notices and demands by Lessee to Lessor shall be sent by United States Mail, postage prepaid, addressed to Lessor PAC HOLDINGS, LLC, Post Office Box 911, Bellevue, Washington 98009, or to such other person or place as Lessor may from time to time designate in a notice to Lessee. Notices are effective three days after mailing.

(c) Marginal Headings - The marginal headings and paragraph titles of this Lease are not a part of this Lease and shall have no effect on the construction or interpretation of any part hereof.

(d) Time - Time is of the essence of this Lease and each and all its provisions in which performance is a factor.

(e) Successors and Assigns - The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

(f) Recordation - neither Lessor nor Lessee shall record this Lease or a short form memorandum hereof without the prior written consent of the other party.

(g) Quiet Possession - Upon Lessee paying the rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Lessee's part to be observed and performed hereunder, Lessee shall have quiet possession of the Premises for the entire term hereof, subject to all the provisions of this Lease.

(h) Prior Agreements - This Lease contains all the agreements of the parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertaining to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto to their respective successors of interest. This Lease shall not be effective or binding on any party until fully executed by both parties hereto.

(i) Variation in Pronouns - All pronouns and variations thereof shall be deemed to refer to the masculine, feminine, singular or plural as the identity of the person or persons may require.

(j) Inability to Perform - This Lease and the obligations of the Lessee hereunder shall not be affected or impaired because the Lessor is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God, or any other cause beyond the reasonable control of the Lessor.

(k) Separability - Any provisions of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair, or invalidate any other provisions hereof and such other provisions shall remain in full force and effect.

(l) Cumulative Remedies - No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

(m) Choice of Law - This Lease shall be interpreted and governed by the laws of the State of Washington as they exist on even date.

(o) Failure to Deliver Possession - The failure of the Lessor to deliver possession of the premises as hereinbefore provided shall not invalidate this lease but shall merely extend the commencement date until such time as Lessor is able to deliver possession thereof to Lessee.

(o) Proportionate Share - For this Lease proportionate share to be 4.2%, and will be adjusted for additional space or additional improvements if necessary.

33. There shall be no vehicles of the Tenant left unattended for longer than three (3) consecutive days.
34. Late Charges. Lessee acknowledges that late payment by Lessee to Lessor or rent and other sums due under this Lease will cause Lessor to incur costs not contemplated herein. These costs, include but are not limited to

processing and accounting charges which may be imposed on Lessor by the terms of any mortgaged, deed of trust or the note secured by said encumbrance which effects the Premises. Accordingly, if any installment of rent or other sums due from Lessee are not received as herein provided, then without any requirement of notice to Lessee, Lessee shall pay to Lessor a late charge of ten percent (10%) of the amount so due or \$100.00 whichever is more, together with one percent (1%) per month interest on the delinquencies from the date due until payment. The parties agree that this late charge plus interest represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of the late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to the overdue amount, nor prevent Lessor from exercising any of the other rights or remedies granted to Lessor under this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above-written.

Lessor:

Lessee:

Pac Holdings, LLC

NW Cascade, Inc.

By:


Danielle Ruby

By:

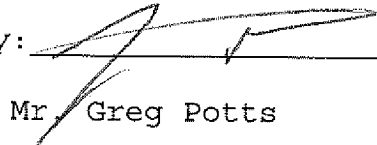

Mr. Greg Potts

EXHIBIT A

Portion of East yard at 3414 – 2nd Ave South, Seattle WA., approx.
300 sq. ft.

24/7 access to the dump site, through North gate of property.

Area in front of the north bay door would need to be open at all
times.

Temporary fencing around dumpsite, dumpster and water tank,
not to include blocking bay door.

Gate to be closed at all times, during non-business hours.

NEW

PACKAGE SERVICE, INC.
P. O. Box 11741
Chandler, AZ. 85248

January 30, 2008

Mr. Stephen R. Barger
NORTHWEST CASCADE, INC.
10412 John Bananola Way East
Puyallup, Wa. 98374

Subject: LEASE RENEWAL
Seattle property @ 3414-2nd South
Seattle, Wa. 98134

Dear Mr. Barger,

The Lease for the property you are renting from Package Service, Inc. located at 3414 -2nd Avenue South in Seattle, Washington expires on March 31, 2008.

Therefore, we would like to renew your lease with Package Service, Inc., at this time.

A copy of the Original Lease is enclosed. We have taken the liberty of extending the Lease for another five (5) year period beginning on April 1, 2008.

The new Rent Schedule will be with a yearly 3% cost of living increase as was agreed upon in the original lease of March 6, 2000.

Also, as agreed upon in the original lease, Northwest Cascade, Inc. will pay the property taxes.

We trust this Lease Renewal meets with your approval.

Please sign the enclosed Rental Renewal Agreement, and return it to me in the enclosed stamped, self-addressed envelope at you earliest convenience.

Thank you very much.

Sincerely,

Betty J. Thomas
Betty J. Thomas, Sec. Treas.
PACKAGE SERVICE, INC.
P. O. Box 11741
Chandler, Az. 85248

(480) 802-7582

2008 LEASE RENEWAL AGREEMENT

original

LESSEE : NORTHWEST CASCADE, INC.

10412 John Bananola Way East
Puyallup, Wa. 98374

LESSOR : PACKAGE SERVICE, INC.

c/o P. O. Box 11741
Chandler, Az. 85248

This Agreement is made between Package Service, Inc. and Northwest Cascade, Inc.
for rental of property located at 3414 - 2nd Avenue South, Seattle, Wa. 98134.
Rental Period will be for five (5) years beginning April 1, 2008 and ending March 31, 2013.

Rental Amounts will increase yearly by 3% cost of living increases, and Lessee will pay
all property taxes.

RENTAL SCHEDULE WILL BE :

4/1/08 to 3/31/09 = \$3,935.00
4/1/09 to 3/31/10 = \$4,053.00
4/1/10 to 3/31/11 = \$4,175.00
4/1/11 to 3/31/12 = \$4,300.00
4/1/12 to 3/31/13 = \$4,429.00

SIGNED BY :

TENANT/LESSEE:

Stephen R. Barger
Stephen R. Barger
President, Northwest Cascade, Inc.

DATE 2/12/08

Michael A. Barker

LANDLORD/LESSOR:

Betty J. Thomas
Betty J. Thomas
Sec/Treas. Package Service, Inc.
(480) 802-7582

DATE 1-30-08

March 29, 2000

Larry Souza
Northwest Cascade
P.O. Box 7399
Puyallup, WA 98373

RE: EXECUTED LEASE
3413 Fourth Avenue South
Seattle, Washington

CB Richard Ellis, Inc.
U.S. Bank Centre
1420 Fifth Avenue
Suite 1700
Seattle, WA 98101-2384
www.cbrichardellis.com

1
Northwest
Cascade, Inc.
LEASE

original

Copy

Dear Larry:

Congratulations! We have a fully executed lease with Package Service beginning April 1, 2000. Enclosed is Northwest Cascade's original lease for your records. I have also enclosed four originals of the Letter of Agreement that you sent to me via fax. Please sign all four originals and return three of them to me in the enclosed self addressed, stamped envelope, keeping one original for yourself.

It has been a pleasure working with you and Northwest Cascade and I hope I can be of service to you in the future.

Sincerely,

CB RICHARD ELLIS



Bryan Hester
Associate
(206) 292-6079

Enclosures

BOT
See Addendum one (Pg 11)
(yearly increases
have been 3%)

(2)

Commercial Lease
***Net, Net, Net**

THIS LEASE, dated this 1st day of March, 2000, between PACKAGE SERVICE, INC., (herein called "Lessor" and/or "Landlord"), and NORTHWEST CASCADE (herein called "Tenant" and/or "Lessee").

WITNESSETH:

1. Lessor leases to Tenant and Tenant leases from Lessor, in accordance with the terms hereof, the Premises situated in the City of Seattle, County of King, State of Washington, commonly described as 3414 Second Avenue South, Seattle, Washington, and including one shop and no other permanent structures and the yard site thereon, approximately 30,000 square feet of the rear portion of said address.

2. **USE.** The Premises shall be used and occupied only for storage and distribution of portable restrooms and related equipment, and for no other purpose without prior written consent of Landlord, which consent may be withheld or conditioned as Landlord may deem appropriate within the exercise of its sole discretion. Lessor makes no warranties and specifically disclaims any representations regarding suitability to verify land use status and to obtain any certificates required by applicable land use laws. Tenant agrees to indemnify and hold Lessor harmless from any claim, loss, damage, liability, or expense arising out of or resulting from any use to which Tenant may put the Premises, including, but not limited to, any hazardous use.

3. **TERM.** The term of this lease shall be for five (5) years and zero (0) months, and shall commence on April 1, 2000, and end on March 31, 2005. ~~Tenant shall have the option to renew this lease upon terms agreeable to both parties.~~ Tenant is required to give written notice of its intent to renew the lease or to allow it to expire to the Lessor six months prior to the expiration date of the current lease (i.e., on or before September 30, 2004). NWC
APR 1 2000

3.a OPTION TO RENEW. Tenant shall have the option to renew this lease for three (3) years under the same terms and conditions as set herein. Rent to be set in Addendum One, Paragraph C.

4. **RENT.** Tenant agrees to pay to Lessor at the address designated by Lessor in Paragraph 31, as rental for said Premises on a *NET, NET, NET basis, the following monthly minimum rental: See Addendum One, Paragraph B.

*Net, Net, Net = net of operating expenses

All payments are due in advance on the first day of each calendar month of the lease term of any period prior or subsequent thereto while Tenant is in possession of the Premises. Rent for a partial month shall be pro rated. Tenant shall pay additional rent in



3

the amount of One Hundred Dollars (\$100.00) plus one percent (1%) interest per month for any delinquent rental not paid prior to the ~~second (2nd)~~ third (3rd) day of the month. Said rental is exclusive of any sales, franchise, business, occupation, or other tax based on rents and should any such taxes apply during the life of this lease, rent shall be increased by such amount.

5. SECURITY DEPOSIT. Receipt is acknowledged of Three Thousand Two Hundred Dollars & 00/100 (\$3,200.00) deposited with Lessor as partial security for the performance of Tenant's obligations under this lease. Lessor may at any time apply such deposit against any loss or damage suffered by reason of any default by Tenant, including the cost of cleaning and repairing said Premises as caused by Tenant, but shall return any remaining part of the lease deposit without interest to Tenant upon expiration of the lease. If any portion of the security deposit is used or applied by Lessor at any time, Tenant will, upon demand, deposit additional cash security to restore the security deposit to its original amount.

*We received
\$1,725.00
deposit
from
N.W.
Cascadia
(Must.
2006
BJ)*

6. TAXES, ASSESSMENTS, AND INSURANCE. The Premises comprise fifty percent (50%) of the whole property owned by Lessor. As additional rent provided for herein, Tenant agrees to pay fifty percent (50%) of the real estate taxes and personal property tax assessments applicable to the Premises which is due and payable during the term of this lease or any extension thereof. Tenant shall pay any increase of the taxes on the shop leased to Tenant, plus the taxes applicable to the land covered by this lease. Lessor grants Tenant the right to contest any such tax assessments so long as Lessor's interest is not jeopardized. Lessor's cooperation may be requested in writing and shall not be unreasonably withheld. Tenant shall also pay the shop's insurance costs.

7. ADDITIONAL TAXES. Should there presently be in effect or should there be enacted during the term of this lease, any law, statute or ordinance levying any tax (other than federal or state income taxes) upon rents, Tenant shall pay to Lessor such tax ten (10) days prior to the due date, or shall promptly reimburse Lessor on demand for any such taxes paid by Lessor.

8. REPAIRS AND MAINTENANCE. Premises have been inspected and are accepted by Tenant in their present condition. Tenant shall, at its own expense and at all times, keep the Premises neat, clean and in a sanitary condition, and keep and use the Premises in accordance with applicable laws, ordinances, rules, regulations, and requirements of governmental authorities. Tenant will permit no waste, damage or injury to the Premises. Tenant, at his sole cost and expense, will keep all drainage pipes free and open and will protect water, heating and other pipes serving the Premises so that they will not freeze or become clogged and will repair all leaks, and will also repair all damages caused by leaks; replace all glass in windows and doors of the Premises which may become cracked or broken; and remove ice and snow from sidewalks adjoining the Premises. Except for the roof, exterior walls and foundation, Tenant shall make repairs necessary to maintain the Premises in as good condition as they now are, reasonable use and wear and damage by fire and other casualty excepted. At the expiration or sooner termination of this lease, Tenant will quit and surrender the said Premises in a neat and "broom" clean condition, and will deliver all keys belonging to said Premises to Lessor, or Lessor's agent. Should Tenant fail to render possession of the Premises to Lessor as provided herein, or should Tenant fail to make necessary repairs, Lessor shall have the

(4)

right, but not the duty, to perform the work necessary to put said Premises in a "broom" clean condition or to make repairs at Tenant's expense, and Tenant agrees to reimburse Lessor for all reasonable expenditures, plus interest, to be paid as additional rent therefor.

9. UTILITIES AND FEES. Tenant agrees to pay all charges for light, heat, water, sewer, garbage, drainage, insurance, Metro and all other utilities and services to the Premises during the full term of this lease. Tenant shall also pay all license fees and other governmental charges levied on the operation of Tenant's business from the Premises. In the event the leased Premises are part of a building or larger Premises to which such charges are charted as a whole, such charges will then be pro rated and Tenant will pay, upon demand, its proper and fair share of said charges.

10. ACCIDENTS AND LIABILITY. Lessor or its agents shall not be liable for any injury or damage to persons or property sustained by Tenant or others in or about the Premises. Tenant agrees to defend and hold Lessor and its agents harmless from any claim, action and/or judgement for damages to property or injury to persons suffered or alleged to be suffered on Premises by any person, firm or corporation, unless caused by Lessor's negligence.

Tenant agrees to maintain public liability insurance on the Premises in the minimum limit of \$1,000,000 for property damage and in the minimum of \$1,000,000/\$2,000,000 for bodily injuries and death, and shall name Lessor as an additional insured. Tenant shall also maintain risk casualty insurance in an amount no less than the replacement cost of the structures on the Premises. For purposes of this lease that replacement cost is estimated at \$100,000. Ninety (90) days prior to the yearly anniversary date of the lease, the Lessor shall give Tenant notice of any adjustment in coverage as necessitated by change of that replacement cost.

Tenant shall furnish Lessor a certificate indicating the insurance policy is in full force and effect, that Lessor has been named as an additional insured, and that the policy may not be cancelled unless ten (10) days' prior written notice of the proposed cancellation has been given to Lessor. Tenant shall give prompt written notice to Lessor regarding any claims or incidents which might engender a claim.

11. COMPLIANCE WITH LAWS AND REGULATIONS. Lessor shall not be called upon to make improvements of any kind to the Premises. Tenant shall at all times keep and use the Premises in accordance with all laws and regulations including rules and regulations of any health officer, fire marshal, building inspector or other official officer, at the sole cost and expense of Tenant. Tenant will permit no waste, damage or injury to the Premises and will not use or permit in said Premises anything that will increase the rate of fire insurance, nor will Tenant maintain anything that may be done in the Premises that will lend to create a nuisance or disturb any other Tenant; nor use or permit the use of the Premises for lodging or sleeping purposes or any immoral or illegal purpose.

12. LIENS AND SOLVENCY. Tenant shall keep the leased Premises and the property on which the leased Premises are situated, free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant, and hold Lessor harmless therefrom, including all costs and attorney's fees. In the event Tenant becomes

(5)

insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee or other liquidating officer is appointed for the business of Tenant, then Lessor may cancel this lease at Lessor's option and Tenant shall nevertheless be liable for any further losses or damages sustained by Lessor so caused by Tenant.

13. ASSIGNMENT. Tenant shall not assign this lease nor any part thereof, nor let or sublet the whole or any part of the Premises without the written consent of Lessor. Said consent shall not be unreasonably withheld. In the event of a sublease, Tenant is required to provide estoppel certificates at reasonable periods as requested in writing by the Lessor. This lease shall not be assignable by operation of law. If Tenant is a corporation, then any transfer of this lease from Tenant by merger, consolidation, liquidation or any change in the ownership of, or power to vote, the majority of its outstanding stock shall constitute an assignment for the purposes of this paragraph. Any assignment of the lease shall not extinguish or diminish the liability of Tenant herein. ~~In the event of any assignment or subletting consented to by Lessor, Tenant shall pay a minimum charge of one (1) month's rent to Lessor as consideration for consenting to such assignment or subletting.~~ Consent, once given by Lessor, to the assignment or subletting shall not relieve Tenant from obtaining written consent to any new or future assignment or subletting as required herein.

14. ACCESS. Tenant will allow Lessor or Lessor's agent access at all reasonable times to said Premises for the purposes of inspection, cleaning, or making repairs, additions, or alterations to the Premises or to any property owned by or under the control of Lessor. Lessor shall have the right to place and maintain "For Rent" signs in a conspicuous place on said Premises and to show Premises to prospective Tenants for one hundred eighty (180) days prior to the expiration and/or termination of this lease.

15. POSSESSION. In the event of the inability of Lessor to deliver possession of Premises, or any portion thereof, at the time of the commencement of the term of this lease, neither Lessor nor Lessor's agents shall be liable for any damage caused thereby, nor shall this lease thereby become void or voidable, nor shall the term herein specified be in any way extended, but in such event, Tenant shall not be liable for any rent until such time as Lessor can deliver possession. If Tenant shall take possession of the Premises prior to the commencement date of this lease, Tenant and Lessor agree to be bound by all of the provisions and obligations hereunder during such period, including payment of rent at the rate stated herein.

16. DAMAGE OR DESTRUCTION. In the event the Premises are damaged to such extent as to render the same untenable in whole or in substantial part and Lessor elects to repair or rebuild, the work shall be prosecuted without unnecessary delay. Rent shall be abated while such work is in progress, in the same ratio that the portion of the Premises unfit for occupancy shall bear to the whole of the leased Premises. If, after a reasonable time, Lessor shall fail to proceed to repair or rebuild, Tenant shall have the right to declare this lease terminated by written notice served to Lessor. In the event the building in which the leased Premises are located shall be destroyed or damaged to such extent that in the opinion of Lessor it shall not be practicable to repair or rebuild, it shall be optional with Lessor to terminate this lease by written notice mailed to Tenant within twenty (20) days after such damage or destruction. In the event of an insurance claim made as a result of damage or destruction to the

(6)

Premises, Lessor is entitled to proceeds thereof except that Tenant shall be allowed to make and collect on an independent claim for trade fixtures, relocation expenses or business interruption. Tenant's claims shall not be allowed to diminish the award to Lessor.

17. SIGNS. All signs or symbols placed by Tenant in the windows and doors of the Premises, or upon any exterior part of the building, shall be subject to Lessor's prior written approval. Lessor may demand the removal of signs which are not so approved and Tenant's failure to comply with said request within 48 hours will constitute a breach of this paragraph and will entitle Lessor to terminate this lease, or, in lieu thereof, to cause the sign to be removed and the building repaired at the sole expense of Tenant. At the termination of this lease, Tenant will remove all signs placed by it upon the Premises and will repair any damage caused by such installation or removal. All signs must comply with sign ordinances and will be placed in accordance with required permits.

18. ALTERATIONS. Tenant shall not make any alterations, additions, or improvements in said Premises without first obtaining the consent of Lessor in writing. All such alterations, additions, and improvements shall be at the cost and expense of Tenant, and shall become the property of Lessor and shall remain in and be surrendered with the Premises as part thereof at the termination of this lease, without disturbance, molestation, or injury except for any improvements that Lessor may elect to request Tenant to remove. If Tenant shall perform work on the Premises, Tenant agrees to comply with all laws, ordinances, rules and regulations of the appropriate city or county, and any other authorized public authority. Tenant further agrees to indemnify and hold Lessor harmless from damage, loss or cost arising out of the said work. Tenant agrees that Lessor has the right to make alterations to the Premises and to the building in which the Premises are situated and Lessor shall not be liable for any damages which Tenant might suffer by reason of such undertaking. Tenant is required to obtain all applicable permits and furnish proof to the Lessor that those permits have been obtained. The improvements cannot diminish the value of the Premises. Tenant must guarantee that all work must be done in a good and workmanlike manner and comply with all existing laws and regulations. The work must be lien-free. The work must be done with reasonable promptness. Tenant must provide workers' compensation insurance. Tenant is obligated to repair any damage caused by the removal of trade fixtures of the Tenant or subtenants. Tenant is required to provide "as built" drawings of all improvements or alterations.

19. ENVIRONMENTAL HAZARDS, HAZARDOUS WASTE MATERIALS, AND/OR USE. Hazardous use of the Premises is strictly prohibited and all liability therefor shall be the Tenant's responsibility. Hazardous waste and disposal of hazardous materials are the sole responsibility of the Tenant. Tenant shall be responsible for disposal of all waste materials associated with Tenant's use of the property in conformity with city, county, state and other regulations. Tenant must provide notification to Lessor immediately upon discovery of any environmental or ecological problem concerning the Premises and must provide additional notice of the method to be employed for safe and lawful remediation of any such problem. Tenant shall provide evidence of the completion of the remediation and all necessary lien waivers to document that all costs of the remediation have been paid by Tenant. Tenant shall indemnify and hold Lessor harmless against any claim, action, loss, damage, liability, expense,

(7)

judgement, cost of remediation or clean-up associated with any environmental hazard or hazardous waste, removal of hazardous materials, and/or hazardous use engendered by Tenant's use of the Premises.

19A. ENVIRONMENTAL CONCERNS. Landlord shall indemnify, defend, and hold Tenant harmless from and against any damage, loss, claims or liability resulting from the existence of any all hazardous materials or environmental contaminations, which may have existed on the Premises, prior to the Commencement of this Lease, but were not introduced to the site by the Tenant, or its employees, agents, subcontractors, or invitees.

20. DEFAULT AND RE-ENTRY. Failure to pay rent or any part thereof, or to make any payment as required herein; failure to perform any other part of this agreement, including but not limited to furnishing proof of insurance in compliance with local, state and federal laws and regulations; violation or breach of any covenant, agreement, term or condition of this lease; or damage caused by the Tenant or Tenant's use which exceeds the limits of Tenant's liability insurance limits shall be considered an event of default by the Tenant. Any event of default including, but not limited to any default in the rent, or any event of default involving the commission of waste upon the Premises, setting up or conducting any unlawful business, or the occurrence on or about the Premises of any nuisance, shall be remedied by Tenant within ten (10) calendar days of written notice of that default given by the Lessor to the Tenant. Thereafter, Lessor may, at its sole option, immediately declare Tenant's rights under this lease terminated and may re-enter the Premises, using such force as may be required. Notwithstanding such re-entry by Lessor, the liability of Tenant for the full rent provided for herein shall not be extinguished for the balance of the term of this lease, and Tenant covenants and agrees to make good to Lessor each month during the balance of the lease term and deficiency arising from any re-letting of the Premises at a lesser rental than agreed to herein. This payment shall be considered additional rent. Tenant shall pay such additional rent each month. Tenant shall also pay all costs (plus interest) of re-letting the Premises or any part thereof as additional rent prorated over the remainder the term of this lease agreement. Re-entry shall not extinguish or limit in any way Lessor's other rights and remedies under the law, including, without limitation, the right to sue for double damages pursuant to RCW 59.12, et sequ.

21. NON-WAIVER. The failure of Lessor to insist upon strict performance of any of the covenants and agreements of this lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any right, option, covenant or agreement, but the same shall be and remain in full force and effect.

22. RECORDATION. Tenant shall be obliged to promptly record this lease agreement with the King County assessor's office at its own expense.

23. ENTIRE AGREEMENT. This lease and the addendums thereto are the entire agreement between parties. Any modification of the lease must be in writing and signed by both Lessor and Tenant. Any purported modification made orally or not signed by both parties hereto is null and void.

24. **COSTS AND ATTORNEY'S FEES.** In the event the Lessor finds in necessary to retain an attorney in connection with a default by the Tenant in any of the terms and/or conditions contained in this lease or at law, the Tenant shall pay such reasonable attorneys' fees and costs as Lessor may have incurred. All costs and expenses, including attorneys' fees in a reasonable amount, incurred by Lessor or by Tenant in enforcing the obligations of the Tenant or Lessor under this lease through legal action, shall be paid by the losing party to the prevailing party upon demand. The venue of any legal action brought under the terms of this lease shall be in the Superior Court of the country in which the Premises are situated. The parties agree that the law applicable to this lease is the law of the State of Washington.

25. **REMOVAL OF PROPERTY.** In the event of any re-entry or taking possession of the leased Premises for default, Lessor shall have the right, but not the obligation, to remove from the leased Premises all personal property located therein, and may store the same in any place selected by Lessor, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Tenant, after it has been stored for a period of thirty (30) days or more, the proceeds of such sale to be applied first to the cost of such sale, second to the payment of the charges for the storage, if any, and third to the payment of any other sums of money which may then be due from Tenant to Lessor under any of the terms hereof, and the balance, if any, without interest to be paid to Tenant.

Tenant hereby waives all claims for damages that may be caused by Lessor's re-entering and taking possession of the Premises or removing and storing the property of Tenant as provided in this lease, and will hold Lessor harmless from loss, costs or damages occasioned Lessor thereby. No such re-entry shall be considered or construed to be a forcible entry.

26. **TERMINATION FOR GOVERNMENT USE.** In the event that any federal, state or local government or agency or instrumentality thereof shall condemn or otherwise take title, possession or the right to possession of the Premises, or any part thereof, Lessor may, at its option, terminate this lease as of the date of such taking and if Tenant is not in default under any of the provisions of this lease on said date, any rent prepaid by Tenant shall to the extent allowable for any period subsequent to the effective date of the termination be promptly refunded to Tenant. Lessor is entitled to the full amount of any condemnation award. Tenant shall have no claim to any value of its leasehold.

27. **TRANSFER BY LANDLORD.** If Lessor shall assign its interest under this lease or transfer its interest in the Premises, Lessor shall be relieved of any obligation accruing hereunder after such assignment or transfer, and such transferee shall thereafter be deemed to be Lessor hereunder. Lessor shall transfer Tenant's security to such transferee, and Tenant shall look solely to such transferee for the return of such deposit.

28. **HEIRS AND SUCCESSORS.** Subject to the provisions hereof pertaining to assignment and subletting, the covenants and agreements of this lease shall be binding upon the heirs, legal representatives, successors and assigns of any or all of the parties hereto.

9

29. **HOLDOVER.** If Tenant shall, with the written consent of Lessor, holdover after the expiration of this lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by law. During such tenancy, Tenant agrees to pay Lessor one hundred twenty percent (120%) of the same rental as provided herein, including the addendum hereto, unless a different rent is agreed upon, and to be bound by all of the applicable terms and conditions of this lease.

30. **SUBORDINATION.** This lease is subordinate to all present and future mortgages, deeds of trust and other encumbrances affecting the demised Premises or the property of which said Premises are a part. Tenant agrees to execute, at no expense to Lessor, any instrument which may be deemed necessary or desirable by Lessor to further effect the subordination of this lease to any mortgage, deed of trust or encumbrance. Tenant irrevocably appoints and constitutes Lessor as the true and lawful attorney-in-fact for Tenant at any time in Tenant's name, place and stead, to execute proper subordination agreements for this purpose.

31. **MUTUAL RELEASE AND WAIVER.** To the extent a loss is covered by insurance in force, Lessor and Tenant hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance policies, including any extended coverage endorsements thereto, provided that this agreement shall be inapplicable if it would have the effect of invalidating any insurance coverage of Lessor or Tenant.

32. **NOTICES.** All notices to be given by the parties hereto shall be in writing and may either be served personally or may be deposited in the United States mail, postage prepaid, by either certified mail with certificate of mailing obtained or by regular mail; and if to be given Lessor, to be addressed to Lessor or Lessor's agent, or, if to be given Tenant, may be addressed to Tenant at the leased Premises.

Lessor's Address:

Package Service Inc
Po Box 817
Merier Island WA 98040
Northwest Cascade
P.O. Box ~~7399~~ (73399)
Puyallup, WA 98373

Tenant's Address:

33. **SECURITY MEASURES.** Tenant hereby acknowledges that the rental payable to Lessor hereunder does not include the cost of security measures, and that Lessor shall have no obligation whatsoever to provide same. Tenant assumes all responsibility for the protection of Tenant, its agents and invitees from acts of third parties.

34. **CERTIFICATE OF OCCUPANCY.** Tenant shall, at Tenant's sole cost and expense, obtain a Certificate of Occupancy and any other required permits respecting Tenant's occupancy of the Premises from any applicable governmental authority.

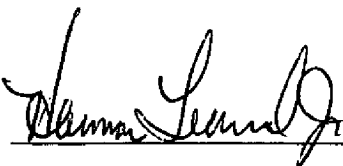
10

35. JOINT AND SEVERAL LIABILITY. If more than one party shall execute this lease as Tenant, such parties shall have joint and several liability for all obligations of Tenant set forth herein.

TIME IS OF THE ESSENCE OF THIS LEASE

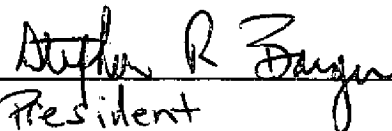
IN WITNESS WHEREOF, the parties hereto have executed this lease at the place and on the dates specified immediately adjacent to their respective signatures.

Landlord/Lessor:

By: 

Dated: MARCH 27, 2000

Tenant/Lessee:

By: 
Resident

Dated: 3/6/00

By: _____

Dated: _____

11

ADDENDUM ONE

ADDENDUM to Commercial Leasing Agreement dated March 1, 2000, by and between Package Service, Inc., (Hereinafter called "Lessor" and/or "Landlord"), and Northwest Cascade (Hereinafter called "Tenant" and/or "Lessee").

A. Colliers International and CB Richard Ellis are the two real estate companies representing Lessor and Lessee, respectively, in this lease. The total commission paid to said companies shall be five percent (5%) of the total gross lease consideration, to be divided equally by said companies. General Transport shall pay thirty percent (30%) of said commission and Landlord shall pay seventy percent (70%) of said commission. Commission shall be paid in full upon occupancy by Tenant.

B. Rental rates, on a *NNN basis, shall be as follows:



Year 1:	<u>\$3,200/month</u>	<u>\$3,200/month</u>	<u>4/1/2000</u>
Year 2:	<u>\$3,328/month</u>	<u>\$3,296/month</u>	<u>4/1/2001</u>
Year 3:	<u>\$3,461/month</u>	<u>\$3,395/month</u>	<u>4/1/2002</u>
Year 4:	<u>\$3,599/month</u>	<u>\$3,497/month</u>	<u>4/1/2003</u>
Year 5:	<u>\$3,743/month</u>	<u>\$3,602/month</u>	<u>4/1/2004</u>

C. Rental rates for option years, on a *NNN basis, shall be as follows:

Year 1:	<u>\$3,710/month</u>	<u>4/1/2005</u>
Year 2:	<u>\$3,821/month</u>	<u>4/1/2006</u>
Year 3:	<u>\$3,935/month</u>	<u>4/1/2007 to 3/31/08</u>

Landlord/Lessor:

By: Harmon L. Lundy Jr.

Dated: MARCH 27, 2000

Tenant/Lessee:

By: Stephen R. Beyer
President

Dated: 3/6/00

By: _____

Dated: _____

• = net of operating expenses



PACKAGE SERVICE, INC.

P.O. Box 817
Mercer Island, WA 98040

January 22, 2001

TO THE CITY OF SEATTLE and/or TO WHOM IT MAY CONCERN:

Gentlemen:

We, PACKAGE SERVICE, INC., are the owners of the property located at 3414-2nd Avenue South, Seattle, Wa.(98134). A copy of our most recent tax statement is also enclosed. This property is rented to NORTHWEST CASCADE, INC.

Package Service, Inc. has given Northwest Cascade, Inc. permission to purchase a permit, have side sewer hook-ups installed, as well as a sewer dump station located on the Northeast corner of the property. We would appreciate it very much if the City of Seattle would grant this request.

Thank you very much.

Sincerely,

Harmon R. (Butch) Leonard, Jr.
President

PACKAGE SERVICE, INC.
P.O. Box 817
Mercer Island, Wa. 98040

Local # (206) 230-9404

Long Distance # (541) 382-5202

PROPERTY TAX RP10
ACCOUNT NUMBER
620-5570-05
572A

GET ALL PARTS WHEN PAYING IN PERSON

PACKAGE SERVICE INC
PO BOX 817
MERCER ISLAND WA

**KEEP
THIS
PORTION**

2000 KING COUNTY, WA, REAL ESTATE TAX
RM 600 - 500 FOURTH AVE, SEATTLE WA 98104-2387

CURRENT BILLING DISTRIBUTION	
State	2,362.31
Local School Support ..	1,362.69
County	2,346.54
City	2,366.99
Unincorporated Road ...	172.03
Port	
Fire	
Sanitary &/or Water	
Library	
Other	217.58
Emergency Med Svc. ...	591.66
* Other Charges	10,289.80
TOTAL CURRENT BILLING	

CURRENT BILLING INFORMATION	
Land Value	540,000
improvements	257,000
Less: Exempt Value	
TAXABLE VALUE	797,000
Levy Rate	12.16831
General Tax	9,698.14
* Other Charges	591.66
TOTAL CURRENT BILLING	10,289.80
Omitted Taxes	
TOTAL CURRENT BILLING	10,289.80
INCLUDING OMTS	
VOTER APPROVED	3,190.84

*OTHER CHARGES	
NOX WEED	
SUM	

585.72 .94

SOIL CON

5.00

LOT	BLOCK	CODE	SEC	TWP	RC
2-3-4	301	0010			
SEATTLE TIDE LDS					
LESS S 7 FT MEAS ON E LN.					

First half must be paid or postmarked by April 30, or FULL AMOUNT BECOMES DELINQUENT and accrues interest and penalty as prescribed by law. If first half paid by April 30 second half must be paid by October 31 or it becomes delinquent and accrues interest and penalty.

FULL AMOUNT MAY BE
PAID APRIL 30th

DELINQUENCY INFORMATION		
YEAR	INTEREST PENALTY	PRINCIPAL
DELINQUENT TOTAL		
TOTAL CURRENT AND DELINQUENTS		10,289.80

PROPERTY ADDRESS 3414 2ND AV S

RAIL WITH 2ND PAYMENT

PROPERTY TAX ACCOUNT NUMBER

766620-5570-05

2000 REAL ESTATE TAX
KING COUNTY STATE OF WASHINGTON
RM 600 - 500 FOURTH AVENUE, SEATTLE 98104-2387

Property Tax Information (206) 296-0923
Make check payable to: KING COUNTY TREASURY. Your cancelled check is your receipt.

Second half must be paid or postmarked by October 31
or IT BECOMES DELINQUENT AND ACCRUES ANNUAL
INTEREST AND PENALTY.

TAX TYPE	TAX YEAR	OMIT YEAR	INTEREST TO:	PENALTY (SEE REVERSE)	PRINCIPAL AMOUNT	* HALF AMOUNT
Current	00					5,144.90
Omitted						
Debit- quent						All payments must include the PRINCIPAL + INTEREST + PENALTY when due.

PACKAGE SERVICE INC
PO BOX 817
MERCER ISLAND WA

7D1546
98040

PAY THIS
AMOUNT

DUE OCTOBER 31

5,144.91

[illegible]

NWC 001783



PACKAGE SERVICE, INC.

NW CASCADE

JAN 29 2001

P.O. Box 817
Mercer Island, WA 98040

January 22, 2001

Mr. Ron Inman
NORTHWEST CASCADE, INC.
dba Honey Bucket
P.O. Box 73399
Puyallup, Wa. 98373

Subject: Package Service, Inc. property
located at 3414-2nd Ave. South
Seattle, Wa. 98134

Dear Ron,

Enclosed you will find the letter you requested to the City of Seattle, plus a copy of our most recent tax statement showing proof of ownership.

We are concerned, however, regarding the LOCATION of the side sewer hook-up and the sewer dump station. This hook-up and sewer dump station cannot be located near the main building on the property. It should be located on the Northeast portion of the property, where the shop facility is located, and which Northwest Cascade also uses.

I'm sure you can understand our concern, as the main building on the property is rented out to SNO-VALLEY FRESH FRUIT AND PRODUCE, INC., and in no way would we want to contaminate the property near them and/or interfere or complicate their business in any way.

Thank you for following our instructions on this matter. If you have any further questions, please contact me.

Sincerely,


Harmon R. (Butch) Leonard, Jr.
President
PACKAGE SERVICE, INC.
(Oregon address)
62777 Erickson Road
Bend, Oregon 97701

(541) 382-5202